

Resolution Number TC-1706

Transportation Commission Opposes Senate Bill 09-228

March 19, 2009

WHEREAS, a safe, efficient, and effective transportation system benefits all Coloradans and is a critical function of state government; and

WHEREAS, traditional revenue sources for transportation include state and federal excise taxes on gasoline and diesel fuel, which are fixed per-gallon taxes whose purchasing power has been significantly eroded by growth in construction costs; and

WHEREAS, in August 1996 the Colorado Transportation Commission identified twenty-eight projects on strategic corridors of statewide importance to be placed on an accelerated schedule for completion; and

WHEREAS, the Colorado Transportation Commission has allocated \$3.1 billion of resources to date for the strategic corridor projects, and that an additional \$3.0 billion (\$2009) remains to be funded on the following nine projects:

- **\$66.9 million for South US 287 (Campo to Hugo);**
- **\$2.2 million for US 550 (New Mexico State Line to Durango);**
- **\$1.1 million for US 160 (Junction of SH 3 to Florida River);**
- **\$155.6 million for Powers Boulevard in Colorado Springs;**
- **\$102.8 million for the I-70 East Corridor Major Investment Study;**
- **\$126.0 million for the I-70 West Corridor Major Investment Study;**
- **\$1,813.9 million for the I-70 Major Investment Study (Denver International Airport to the Eagle County Airport);**
- **\$440.4 million for the I-25 South Major Investment Study (Denver to Colorado Springs), and**
- **\$270.8 million for the I-25 North Major Investment Study (Denver to Fort Collins); and**

WHEREAS, the General Assembly passed Senate Bill 97-001, which provides dedicated General Fund resources specifically to aid the completion of the strategic corridor projects; and

WHEREAS, since the adoption of Senate Bill 97-001, \$1,367.4 million of General Fund revenues have been allocated to critical strategic infrastructure projects in support of the Department of Transportation's mission to create the best multi-modal transportation system for Colorado that most effectively moves people, goods, and information; and

WHEREAS, in November 1999 the voters of Colorado authorized the state to issue \$1.7 billion in revenue anticipation notes for the purpose of addressing the critical, priority transportation needs in the state, with Senate Bill 97-001 funds as a primary source of repayment; and

WHEREAS, in years when Senate Bill 97-001 revenues are not available to make principal and interest payments, those payments are made from state fuel tax proceeds, severely

constraining the Department of Transportation's ability to deliver its program of highway construction and maintenance; and

WHEREAS, \$1,162.7 million in outstanding principal and \$311.6 million in interest on the aforementioned revenue anticipation notes remains to be repaid by 2017; and

WHEREAS, the General Assembly passed House Bill 02-1310 to provide additional General Fund resources for critical transportation projects and to dedicate ten percent of Senate Bill 97-001 revenues for transit purposes; and

WHEREAS, House Bill 02-1310 has provided \$637.3 million in excess General Fund revenues to critical transportation projects and allocated \$69.0 million for transit improvements; and

WHEREAS, between FY 2009-10 and FY 2034-35 the Colorado Department of Transportation's long range plan has identified \$7.5 billion in Senate Bill 97-001 revenues (\$2008) and \$1.4 billion in House Bill 02-1310 revenues (\$2008) reasonably expected to be generated under current law; and

WHEREAS, the \$8.9 billion in projected Senate Bill 07-001 and House Bill 02-1310 transfers represent 32.2 percent of the projected \$27.6 billion in un-inflated, reasonably expected revenues under current law between FY 2009-10 and FY 2034-35; and

WHEREAS, the Transportation Finance and Implementation Panel found that the current state transportation system is under-funded by \$500 million per year as compared to what is necessary to maintain the current level of service, and is under-funded by \$1.5 billion per year as compared to the level of funding necessary to provide a twenty first century multimodal transportation system; and

WHEREAS, Senate Bill 09-228 would eliminate the Senate Bill 97-001 and House Bill 02-1310 transfers and remove the six percent cap on the annual growth rate of "off the top" appropriations from the Highway User Tax Fund; and

WHEREAS, the loss of Senate Bill 97-001 transfers would severely jeopardize the completion of the strategic corridor projects; and

WHEREAS, the loss of Senate Bill 97-001 and House Bill 02-1310 transfers would permanently eliminate the Department of Transportation's ability to slow the rate at which the current level of service on the state highway system is deteriorating, to the long-term detriment of the state's residents, visitors, businesses, and economy.

NOW THEREFORE BE IT RESOLVED, that the Colorado Transportation Commission opposes Senate Bill 09-228 in its current form.